Dual Pricing Policy

†2026. DR. MURLI MANOHAR JOSHI:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have decided to adopt two separate policies for fixing up the prices of petrol and diesel in the country;

(b) if so, the details of the said policies; and

(c) the reasons for adopting separate policies for fixing up the consumer prices of petrol and diesel?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) The Oil, Marketing Companies (OMCs) pay to the refineries the prices of petrol, diesel and LPG on import parity basis taking into account the prevalent international prices of these products. OMCs in turn review the domestic consumer selling prices of these products in consultation with the Government.

As it was decided on 4.11.04 to bridge the gap between domestic retail selling prices and import parity prices of motor spirit (petrol), when import parity prices of petrol fell between 4.11.04 and 15.11.04, Petrol prices were reduced *pari passu* on 15/16.11.04. However, as this led to an anomalous situation, petrol prices have been maintained at the 16th November, 2004 level, since then.

Although domestic retail selling prices of petrol, diesel and LPG have been raised from time to time, keeping in mind the increase in international prices, other factors, including concern for relative domestic stability in the fact of international volatility, have contributed to determining pricing policy. Government is constantly monitoring and keeping under careful review the prices of all sensitive petroleum products.

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†Original notice of the question was received in Hindi.